

Financial Mediation Bureau: An Avenue for All

What do you do when you have a dispute concerning monetary loss arising from certain specified services provided by commercial banks, finance companies, merchant banks or insurance companies? Whom can you turn to for help? In the past, if you are a bank customer, you may turn to the Banking Mediation Bureau for assistance and for those with disputes relating to insurance, the Insurance Mediation Bureau will be the main avenue outside the court system.

Today, we have the Financial Mediation Bureau (FMB), which is an integrated dispute resolution centre for financial institutions. FMB serves as a one-stop centre for the resolution of a broad range of retail consumer issues raised against the financial institutions whether it is a dispute on banking or insurance.

In the setting up of FMB, the Association had played a key role to help resolve some of the industry's concerns relating to the proposed structure of the FMB such as Board representation, categories of consumer complaints that would be covered under the new Bureau and the maximum threshold amount for cases to be mediated under the banking division.

With the finalisation of the Memorandum and Articles of Association of FMB, the Bureau was incorporated on August 30, 2004. Arrangements went underway to convene an Extraordinary General Meeting of the FMB chaired by Mrs Wong Suan Lye, one of the first directors of FMB, to elect the Board Members on November 10, 2004. FMB was officially launched by YBhg Tan Sri Dato' Sri Dr Zeti Akhtar Aziz, Governor of Bank Negara Malaysia on January 20, 2005.

Members of the public now have access to a fast, convenient and efficient avenue to refer their complaints, disputes or claims relating to banking and insurance as an alternative to the courts. The industry is proud to be a part of the Financial Mediation Bureau,

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which will play an active role in the resolution of issues relating to banking and insurance.

Members of FMB comprise commercial banks, finance companies, merchant banks, Islamic banks, insurance companies, takaful operators, Malaysian National Reinsurance Berhad, development financial institutions, payment system operators and payment instrument issuers. The Board of FMB comprises four members from the industry and five independent directors.

The types of complaints, disputes or claims that may be referred to the FMB are:

Banking/Financial Related

- Personal loans
- Housing loans
- Automated teller machine (ATM)
- Cash Deposit Machine
- Credit/Charge card
- Hire purchase
- Savings account
- Current account
- Fixed deposit
- Remittances
- Electronic Banking
- Internet Banking

Insurance/Takaful Related

- All life insurance/family takaful claims
- All general insurance/general takaful claims

When problems arise, the complainant should first appeal to his financial services provider to resolve the problem. If the matter cannot be resolved or he is not satisfied with the response given by the financial services provider, the matter can be referred to the Bureau. The services of the FMB is offered free of charge. If he is not satisfied with the decision of the Bureau, he may reject the decision and take other steps including legal proceedings in respect of the said complaint, dispute or claim.